



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BY FEDERAL EXPRESS & FACSIMILE TRANSMISSION
(502) 589-2986

JAN 16 2007

Karen L. Stewart, Esq.
1167 East Broadway
Suite 300
Louisville, KY 40204

RE: MUR 4012

Dear Ms. Stewart:

This is in reference to the complaint and amended complaint you filed on behalf of Maureen Keenan with the Federal Election Commission on July 20, 1994 and October 11, 1994, concerning possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

The Commission initially found there was reason to believe that: the Freedom's Heritage Forum and Arthur Cerminara, in his official capacity as treasurer of the Forum, violated 2 U.S.C. §§ 434(b), 434(c), 441a(a)(1)(A), and 441d(a)(3); Hardy for Congress, Lewis for Congress, and Bob Ross, in his official capacity as treasurer for both committees, each violated 2 U.S.C. §§ 434(a)(6)(A), 434(b), and 441a(f); and Timothy Hardy and Richard Lewis each violated 2 U.S.C. § 441a(f). Subsequently, the Commission also found reason to believe that Frank G. Simon, M.D., in his official capacity as treasurer of the Forum, violated 2 U.S.C. §§ 434(b); 434(c); 441a(a)(1)(A); and 441d(a)(3).

After conducting an investigation, the Commission, on February 10, 1998, took no further action and closed the file as to Arthur Cerminara, the Hardy and Lewis committees, and their treasurer Bob Ross. The Commission found probable cause to believe that Richard Lewis violated 2 U.S.C. § 441a(f), but took no further action, and closed the file as to this respondent. The General Counsel's Report explaining these dispositions is enclosed. The Act allows a complainant to seek judicial review of the Commission's dismissal of the action as to the above-named respondents. See 2 U.S.C. § 437g(a)(8).

On February 10, 1998, the Commission also found probable cause to believe that: the Forum and Dr. Simon, in his official capacity as treasurer of the Forum, violated 2 U.S.C. §§ 441a(a)(1)(A), 434(b), and 441d(a), but took no further action with respect to 2 U.S.C. § 434(b) regarding itemization of its contributions; and Timothy Hardy violated 2 U.S.C. §§ 441a(f) and 441b. The Commission

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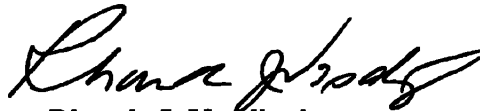
filed a civil
suit in United States District Court against the above named respondents.

In the litigation relating to this matter, *Federal Election Commission v. Freedom's Heritage Forum, et al.*, 3:98-cv-00549-CRS, the Court granted the Commission's motion for summary judgment against the Forum and Dr. Simon and imposed a \$3,000 penalty. The Forum and Dr. Simon subsequently paid the civil penalty award plus post-judgment interest. A copy of the Order is enclosed. Timothy Hardy and the Commission reached an agreement that included an acknowledgment that he violated the Act and required payment of a \$250 civil penalty. On November 28, 2006, the Commission decided, pursuant to the Debt Collection Improvement Act of 1996, to forgive the debt owed by Mr. Hardy, dismiss the matter, and close the file. A copy of the Agreed Order and the Commission Certification are enclosed.

The entire file has been closed and this matter is now public. Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

If you have any questions, please call Dominique Dillenseger, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,



Rhonda J. Vosdinger
Associate General Counsel
for Enforcement

Enclosures

General Counsel's Report dated January 15, 1998
Order dated March 28, 2002, Case No. 3:98-cv-00549-CRS (W.D.Ky.)
Agreed Order dated August 14, 2003, Case No. 3:98-cv-00549-CRS (W.D.Ky.)
Commission Certification

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT LOUISVILLE

FEDERAL ELECTION COMMISSION

PLAINTIFF

v.

CIVIL ACTION NO. 3:98CV-549-S

FREEDOM'S HERITAGE FORUM, et al.

DEFENDANTS

ORDER

For the reasons set forth in the memorandum opinion entered this date and the Court being otherwise sufficiently advised. **IT IS HEREBY ORDERED AND ADJUDGED that:**

- 1) Counts I, II, III, V, and VI of the plaintiff's Second Amended Complaint are **DISMISSED WITH PREJUDICE**;
- 2) Counts I, II, and III of the defendants' counterclaims are **DISMISSED WITH PREJUDICE**;
- 3) Plaintiff's motion for summary judgment on its claim that defendants Freedom's Heritage Forum and Dr. Frank G. Simon violated 2 U.S.C. § 441d(a) is **GRANTED** and defendants are ordered to pay a penalty of \$3,000 pursuant to 2 U.S.C. § 437g(a)(6)(B).
- 4) Plaintiff's motion for summary judgment on its claim that defendant Timothy L. Hardy violated 2 U.S.C. § 441b(a) is **DENIED**.

IT IS SO ORDERED this ____ day of _____, 2002.


CHARLES R. SIMPSON III, JUDGE
UNITED STATES DISTRICT COURT

cc: Counsel of Record

